

## Subcommittee Issues

### Department of Corrections

- **Salary Shortfall** – There is a salary shortage across State government during FY 2001, primarily due to health insurance costs exceeding projected increased costs. The shortfall is approximately \$22.8 million for State government; the DOC's share is approximately \$3.4 million. The Subcommittee may wish to review how the DOC and CBC District Departments are managing this shortfall. Is the Department holding positions vacant to fund salary costs for current staff?
- **Salary Issues** – The CBC District Departments have delayed filling most of the new Probation/Parole Officer positions that were authorized for FY 2001 due to salary shortages. However, four of the eight CBC District Department boards approved additional retirement benefits (converting sick leave hourly balance to pay the partial cost of health insurance upon retirement) for exempt staff, which increases salary costs. The Subcommittee may wish to review this issue, including costs.
- **Hiring of Staff Authorized for FY 2001** - Treating the Institutions and CBC districts separately, provide a status report on the filling of new FTE positions authorized for FY 2001. Provide information on the timing of the hirings, actual personnel costs for these positions compared to the budgeted costs, and other information on factors affecting the hiring process.
- **Data Management** – The DOC received funding to implement the Iowa Corrections Offender Network in FY 2000 and FY 2001. The new system was implemented in the CBC District Departments in August 2000. The DOC FY 2002 request, and the Governor's recommendation, includes an additional \$251,000 from the General Fund for this system, to deploy it in the Institutions. The Subcommittee may want to review the progress made by the DOC.
- **CBC Supervision Fees** - The General Assembly established a flat \$250 fee in FY 2001 for people on parole or probation. This flat fee replaced the graduated fee based on offense severity implemented in FY 1998. The change was estimated to increase local income by \$1.3 million. The FY 2001 General Fund budgets were reduced to offset the projected increase in local income. The Subcommittee may wish to review the amount of local income generated by supervision fees since its inception in FY 1998.
- **Drug Courts** – The Drug Court Program was established in the Fifth CBC District Department in FY 1996. The Program was established for high-risk substance abuse addicts as an alternative to prison or jail. Drug court programs are funded in the Second, Third, Fourth, and Fifth CBC District Departments and in the planning stages for the four remaining CBC District Departments. The Fourth and Fifth CBC District Departments have the traditional Drug Court Program (judicial model) that has a case management team comprised of a local prosecutor, a defense attorney, CBC staff, substance abuse treatment staff, and the active participation of a judge. The Second and Third CBC District Departments are using citizen review panels composed of community volunteers in lieu of a judge. The judge provides a list of sanctions the community panels may impose and administratively reviews the community panel's sanction decision. For FY 2002, the First and Seventh CBC District Departments are requesting \$500,000 to implement the traditional drug court while the Sixth CBC District Department is requesting \$250,000 to implement a community panel model. The Governor is recommending an increase of \$465,000 and 6.0 FTE positions for this proposal. The Subcommittee may wish to review these two alternative models, the program costs and effectiveness, and type of clients being served.

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- County Confinement – The Department is requesting an increase of \$800,000 (152.6%) for this appropriation. The Account reimburses counties for holding parole, work release, and Operating While Intoxicated (OWI) offenders who are held in local jails pending revocation hearings. If revoked to prison, the offender is held in the local jail until transported to the Iowa Medical Classification Center at Oakdale. The Subcommittee may wish to review the administration of this appropriation including:
  - Amount of time held in jail pending a revocation hearing.
  - Amount of time held in jail upon being revoked to prison.
  - Average per diem rates charged by the counties.
  - Revocation rates for parole, work release, and Operating While Intoxicated programs.
  - Claims process (amount of time from when the bill is received by the State until it is paid by the State).

The Governor is recommending a decrease of \$91,000 for the County Confinement Account. The Governor is recommending statutory changes to limit the per diem rate paid to the counties to \$25.00 for direct variable costs. Current law requires the DOC to negotiate a per diem rate with each county.

- Federal Bureau of Prisons Contract - House File 2039 (FY 2000 Deappropriations Act) authorized the DOC to contract with the federal Bureau of Prisons to house federal prisoners and county jail inmates. Receipts in excess of direct expenditures are required to be deposited in the General Fund. Projected General Fund receipts were \$2.0 million for FY 2001. The DOC has entered into a 10-year agreement with the federal Bureau of Prisons to house federal detainees. The Governor is budgeting \$2.6 million (96 inmates x \$74.00 per day x 365 days) in new General Fund revenue generated from the contract. The Subcommittee may wish to review the number and type of federal inmates held, the amount of revenues and expenses generated, plus the impact on overcrowding in the prison system.
- Federal Grant Replacement – Institutions and CBC District Departments seek federal grants to create, expand, or enhance treatment programs. The Office of Drug Control Policy (ODCP) funds are awarded annually, and State agencies are limited to a maximum of four years of funding for a specific program. Once these grants expire, the Institutions and CBC District Departments seek General Fund appropriations to replace the federal funds. The FY 2002 General Fund budget request includes \$442,000 to replace expired federal grants. The Governor is recommending this proposal. It is anticipated that more funds will be requested in future fiscal years. The FY 2002 budgets include \$2.9 million in federal grants, plus \$1.4 million in federal pass-through funding from other State agencies. The Subcommittee may wish to review evaluations of programs funded by the grants, any accreditation reports conducted by the DOC or other agencies, other program data, and alternative funding sources.
- Prison Farms – The Subcommittee may wish to review the following issues in relation to the farms:
  - Creation of jobs for inmates.
  - Rental of farmland versus operating the farms.
  - Type of products.
  - Potential use of truck farms to offset food costs in the Institutions.

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- Growth of the Inmate Population – According to the Criminal and Juvenile Justice Planning Division of the Department of Human Rights, the Iowa prison population is projected to reach 12,400 inmates by FY 2010 if current correctional policies and laws remain in place. If the inmate population reaches 12,400, five new 750-bed prisons will need to be built at a cost of \$45.0 million per prison. Each prison will incur annual operating costs of approximately \$25.0 million. The Subcommittee may want to examine alternatives to building new prisons. The Subcommittee may want to discuss with the DOC any alternatives to building prisons.
- Progress on Specialized Expansions – The Subcommittee may want an update on the progress for the Special Needs Unit at Fort Madison, the medical unit expansion at Oakdale, the 36-bed addition at the Dubuque Residential Facility, and the 25-bed women's facility in Council Bluffs. The Council Bluffs project was downsized from an original 50 beds. The update could include: funding sources for construction, and construction costs, current projected opening dates, staffing costs, and treatment options, if any, that are provided with the new beds. The Subcommittee may also want to discuss with the DOC any future expansions of prisons or residential facilities. The Governor is recommending an increase of \$255,000 and 18.9 FTE positions to open residential beds in Dubuque and Council Bluffs and annualize four staff plus provide utilities for the Special Needs Unit at Fort Madison. The Governor is recommending that full staffing and operating costs for the Special Needs Unit occur in FY 2003. The DOC estimates those costs to be \$6.1 million and 114.0 FTE positions.
- Mandatory Parole for Sex Offenders – The DOC is advocating mandatory two-year supervision for all inmates convicted under Chapter 709, Code of Iowa. The CBC District Departments are requesting an increase of \$576,000 and 12.0 FTE positions for this proposal. The Governor is recommending an increase of \$504,000 and 12.0 FTE positions for this proposal. The Subcommittee may wish to discuss this issue.
- Telephone Rebate Funds – The inmates of the DOC Institutions use a pay telephone system for personal calls. The recipient pays for the charges of all of these collect calls, and the DOC receives the net receipts (rebates) from the vendor. The Code of Iowa requires the receipts to be used to benefit the inmates. Revenues have been steadily decreasing while expenditures have been steadily increasing. Revenues were \$2.4 million in FY 1998, \$2.4 million in FY 1999, \$1.0 million in FY 2000, and \$1.0 million budgeted in FY 2001. Expenditures were \$1.3 million in FY 1998, \$2.0 million in FY 1999, \$2.1 million in FY 2000, and \$1.9 million budgeted in FY 2001. Revenues and expenditures are estimated for FY 2001. The Subcommittee may wish to review the administration of this fund. The Governor is recommending certain statutory changes to this Fund.
- Fort Madison Medical Services Contract – The Department discontinued the contract with a private sector firm for medical services. Fort Madison's FY 2001 budget was reduced \$206,000 and 26.5 FTE positions were added to reflect this change. The Subcommittee may want to review the process of converting contract staff to State employees, if all positions are filled, if projected savings were realized, and consider the impact on the quality of medical services available to the inmates.
- Inmate Labor – Inmates who are employed in private sector jobs pay to offset incarceration costs. In FY 1998, the Institutions' General Fund budgets were reduced by \$1.8 million and the Institutions were permitted to retain funds paid by the inmates. Beginning in FY 2001, the Institutions' General Fund budgets were increased by \$1.8 million and the inmate payments are deposited in the State General Fund. Receipts through November 2000 were \$332,000, which is a decrease of \$253,000 (43.2%) compared to the first five months of FY 2000. The decrease is primarily due to fewer inmates being employed by the private sector. There were 191.8 inmates employed by the private sector in November 2000; this is 149.2

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(43.7%) fewer inmates employed compared to November 1999. The Subcommittee may want to examine the inmate employment situation, particularly in light of the current labor shortage, the revenues generated from inmate employment, and the effectiveness of inmate employment for rehabilitation and reduction of recidivism. For background, provide a description of the employment of inmates by private sector companies for FY 1999 and FY 2000, including the companies and types of work, number of person employed by company, actual revenues, and the distribution of the revenues. Discuss the factors affecting inmate employment, future trends, and measurement of the effectiveness of the Program.

- Evaluation of Programs – Treatment programs addressing substance abuse, domestic abuse, sexual offenses, cognitive reasoning deficiencies, and other criminal problems need to be evaluated for effectiveness in rehabilitation and in deterring future crime. Likewise, the Department's education and inmate labor programs need to be examined to determine their rehabilitative impact. The Subcommittee may want to review with the DOC its program evaluation and/or accreditation process.
- The Governor is recommending an automatic \$125 surcharge on each targeted conviction or deferred sentence. This includes convictions for drug offenses, burglary, forgery, furnishing drugs to inmates, vandalism, and prostitution/pimping. The Governor's budget recommendation includes new revenues of \$1.2 million for the General Fund due to the surcharge.
- Chapter 901B, Code of Iowa, requires each CBC District Department to have an intermediate criminal sanctions plan approved by the Chief Judge. Section 7.8, HF 2552 (Justice System Appropriations Act) requires each District Department to file a report on its plan with the General Assembly by January 8, 2000. The Subcommittee may want to review the plans, including effectiveness of the sanctions and early discharge policies.
- Mental Health – The DOC is working with the University of Iowa College of Medicine and the Iowa Consortium of Mental Health Board to review the present DOC mental health system, determine the needs of that system, and seek resources to address the mental health needs of inmates. The Board of Corrections approved a motion that the DOC should continue planning a mental health delivery system at its November 2000 meeting. The Subcommittee may wish to review this issue with the DOC. Has the DOC considered working with the DHS as well as the U of I College of Medicine?

### **Public Defender/Indigent Defense**

- The Number of Cases: The demand for legal counsel by indigent offenders has grown in recent years. Total costs have increased 20.4% from FY 1997 (\$27.9 million) to FY 2000 (\$33.6 million). The number of cases and claims has increased 4.7% from FY 1997 (95,400 cases and claims) to FY 2000 (99,900 cases and claims). The Subcommittee may wish to review caseloads to determine the adequacy of staffing and funding. The Governor is recommending an increase of \$1.7 million (4.8%) and 1.0 (0.5%) FTE positions compared to estimated FY 2001.

### **Attorney General's Office**

- Legal Services Poverty Grants – The Department is requesting an increase of \$250,000 (35.7%) from the General Fund for FY 2002. The Subcommittee may wish to examine other revenue sources, such as federal funds and the Civil Reparations Trust Fund. In FY 2000, \$200,000 was expended from the Civil Reparations Trust Fund by the State Executive Council to provide legal services to farmers in poverty. According to the Office of the

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Attorney General, another \$200,000 will be expended during FY 2001. The Governor is recommending an increase of \$250,000 (35.7%) to provide additional funding for the Legal Services Corporation for legal services for eligible individuals in poverty.

- Attorney General's Office – Approximately \$7.1 million of the budget is reimbursed from other State agencies, which is 44.2% of the Office's revenues. The Subcommittee may wish to review the amount reimbursed by agency and sources of funds.
- The Subcommittee Bill provides a contingent appropriation of \$200,000 for the enforcement of the Iowa Competition Law. The appropriation is contingent upon the receipt of damages due to anti-trust lawsuits. During FY 2000, the Department received \$32,500. Of this amount, \$28,100 was reimbursed to the Attorney General's Office. The Subcommittee may want to review fund revenues and expenditures for the last several years, balances brought forward from previous years, and fund restrictions.
- The Subcommittee Bill provides a contingent appropriation of \$225,000 for consumer education to combat consumer fraud. The appropriation was contingent upon the receipt of damages due to consumer fraud lawsuits. During FY 2000, \$225,000 was utilized by the Attorney General's Office for consumer education and litigation. The Subcommittee may want to review fund revenues and expenditures for the last several years, balances brought forward from previous years, and fund restrictions. The Governor is recommending increasing the spending cap to \$375,000 (an increase of \$150,000). The Governor is recommending permitting up to \$300,000 (an increase of \$150,000) to be used for consumer education and up to \$75,000 for prosecution, investigation and consumer education relating to consumer fraud against older Iowans.
- The Subcommittee Bill requires victim assistance grants to be awarded to care providers for domestic abuse, rape, and sexual assault victims. During FY 2000, 63 contracts were granted. The Subcommittee may want to review the Victim Assistance Program. The Governor is recommending an increase of \$75,000 (3.9%) to offset the loss of revenue generated by the tax form check-off.
- Victim Compensation – The Subcommittee may want to review the revenues sources, expenditure of funds, and balance brought forward. The Governor is recommending that Section 915.94, Code of Iowa be amended to provide \$100,000 to train victim counselors pursuant to Section 236A.1(b), Code of Iowa. Current law requires the funds to be used to provide services to victims and to compensate victims for certain economic losses incurred as the direct result of crime.

## Parole Board

- Prison Overcrowding – The increasing prison population will impact the Board's resources and information management system. The Board is requesting an increase to increase the per diem days from 133 days to 166 days. The Board is also requesting funding from the Pooled Technology Account for continued computer upgrades. The Subcommittee may want to examine the Board's workload and its ability to utilize new technology to manage the workload.
- Probation Revocation Pilot Project – The 1997 General Assembly enacted SF 503 (Criminal Justice – Miscellaneous Provisions) that permits the Parole Board to impose sanctions and revoke certain probationers. The Board received \$56,000 and 1.00 FTE position in FY 1998 to implement the pilot project. The 2000 General Assembly enacted HF 2519 (Parole Board Pilot Project) that extends the pilot project through June 30, 2002.

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### Department of Public Safety

- Sex Offender Registry - The Code of Iowa requires registration with the Department of Public Safety by specified offenders. In addition, the Department must be notified of any information changes for a minimum of ten years after registration. The offenders move frequently and do not always report their new addresses making it difficult for the Department to keep the Registry current. As of September 1, 2000, there were 3,702 individuals registered with the Iowa Sex Offender Registry. There are approximately 1,950 sex offenders who have not had public notifications or risk assessments completed due to caseload backlog. In addition, approximately 20 public notifications a month are going uncompleted. The Department is currently asking for an additional 5.0 FTE positions and \$344,000 in FY 2002.
- State Patrol – The Capitol Police Division was merged into the Iowa State Patrol as District 16 on November 16, 2000 by action of the Commissioner. The Capitol Police Division has 27.0 FTE positions and \$1.4 that will be included in the State Patrol budget. Of the 27.0 FTE positions, 5.0 FTE positions are ineligible for Trooper status for the following reasons: Four officers are too young (22 years of age is the minimum age to be a State Trooper) and one has not attended the Department of Public Safety Academy (18 years of age is the minimum age for Capitol Police and attendance is required by all employees). Negotiations continue with the State Peace Officer's Council (SPOC) and the Iowa Department of Personnel (IDOP). The Subcommittee may wish to review Statutory Code changes that will need to be made in order to include the Capitol Police as part of the State Patrol to codify the Commissioner's actions.
- Sick Leave Payout – The Department of Public Safety is requesting to transfer sick leave payout from the State Patrol into a separate fund. The total amount requested to transfer is \$309,000. The Subcommittee may wish to address sick leave payout policy and the unfunded liability.
- Methamphetamine and Drug Use in Iowa – In FY 1999, SF 361 (Methamphetamine Act) specified that a clandestine laboratory emergency response team be composed of five narcotics agents, one Fire Marshal special agent, five State Patrol officers, one Division of Criminal Investigation (DCI) criminalist, and one Division of Narcotics Enforcement technical staff position. The Department of Public Safety has since re-organized the teams and designated ten State Troopers to a special enforcement team for the purposes of drug interdiction. The Department of Public Safety is requesting 10.0 FTE positions for State Troopers and 3.0 FTE positions for Communications Operators and a total of \$996,000 for drug interdiction. This would be the second drug interdiction team in Public Safety consisting of ten State Troopers. The Department is requesting an additional 6.0 special agent FTE positions in the Division of Narcotics Enforcement and \$660,000 to expand the current efforts to reduce the supply of illegal drugs. The Subcommittee may want to review the present drug interdiction and enforcement efforts and how additional positions would be utilized.
- Crime Lab – The Department of Public Safety has a request for an additional five criminalists to reduce the turn-around time on all crime lab cases. The Department's crime lab already has a space problem. The Subcommittee may want to look at the possibility of creating a third shift.
- Gaming Enforcement Officers and 100% reimbursement – The Department of Public Safety is requesting an additional two gaming enforcement officers and \$94,000. The Department is proposing to pay for the additional officers with 100% reimbursement rate from gaming

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enforcement. Presently, the reimbursement rate is 80%. The Governor has budgeted \$1.4 in new revenue that the 100% gaming enforcement generates if passed and therefore needs to be taken into consideration.

### **Department of Public Defense**

- National Oceanic and Atmospheric Administration (NOAA) – The National Oceanic and Atmospheric Administration plans to provide citizens with a statewide multi-hazard warning system. The first tower was put into place in December 1999 and 18 additional towers will be placed in Iowa by the end of the NOAA Expansion project.

### **Judicial Branch**

- Salary Shortfall – There is a salary shortage across State government during FY 2001, primarily due to health insurance costs exceeding projected increased costs. The shortfall is approximately \$22.8 million for State government; the Judicial Branch's share is approximately \$2.4 million. The Subcommittee may wish to review the manner in which the Judicial Branch is managing the shortfall.